



LEROY D. BACA, SHERIFF

County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169
A Tradition of Service



November 05, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Dear Supervisors:

**APPROVE THE AMENDED GRANT AGREEMENT WITH
SOUTHWEST BORDER ANTI-MONEY LAUNDERING ALLIANCE FOR THE
ANTI-MONEY LAUNDERING TASK FORCE
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

Request Board approval authorizing the Sheriff of Los Angeles County (County) to execute Amended Grant Agreement Number 2012-0006 (Agreement) to accept an additional \$791,340 from the Southwest Border Anti-Money Laundering Alliance (Alliance) for the Anti-Money Laundering Task Force (AMLTF), and to extend the grant term for an additional year through June 30, 2015.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Sheriff, as an agent for the County, to execute the attached Agreement with the Alliance, accepting additional funding in the amount of \$791,340 for a total grant award of \$2,374,040 and extending the term of the grant for an additional year from July 1, 2014, through June 30, 2015. A 25 percent in-kind match requirement of sworn and professional staff Salaries and Employee Benefits will be funded by the Los Angeles County Sheriff's Department (Department) Detective Services Budget Unit.
2. Delegate authority to the Sheriff or his designee to execute and submit all required grant documents, including but not limited to, applications, agreements, memorandum of understanding, amendments, modifications, augmentations, extensions, payment requests, and grant renewals that may be necessary for completion of the project.
3. Delegate authority to the Sheriff, as an agent for the County, to apply and submit a grant application to the Alliance for the AMLTF, when and if such future funding becomes available.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The primary objective of the Alliance is to fund a strategy that focuses on civil enforcement, criminal investigations, prosecutions, and money laundering training and education. The AMLTF team, which is comprised of four investigators (one sergeant, two bonus II investigators, and one bonus I investigator), is directed by a lieutenant and supported by one professional staff member to handle administrative duties. The team collaborates with other Alliance members to actively investigate and prosecute domestic and international money laundering organizations by using all criminal and civil remedies to impact the profit-motivated component of money laundering and narcotics trafficking. The Alliance will continue to fund the AMLTF by increasing the grant award amount by \$791,340 for a total grant award of \$2,374,040 and by extending the term of the grant for an additional year from July 1, 2014, to June 30, 2015.

The additional funding will continue to pay 75 percent of the AMLTF sworn team and professional staff Salaries and Employee Benefits including overtime, and Services and Supplies for travel and training needs. A 25 percent in-kind match requirement of sworn and professional staff Salaries and Employee Benefits will be funded by the Department.

On October 23, 2012, the Board approved and authorized the Sheriff to accept the Agreement from the Alliance in the amount of \$1,582,700 for the Department to perform the tasks of the AMLTF for the period from July 1, 2012, through June 30, 2014. At the Alliance Directors' invitation, the Department submitted a Supplemental Application for the additional funding in the amount of \$791,340.

Implementation of Strategic Plan Goals

Approval of the recommended action is consistent with the County's Strategic Plan, Goal 1, Operational Effectiveness, and Goal 3, Integrated Services Delivery. With the grant funds directed toward enhancing the Department's investigations and prosecutions of domestic, as well as international money laundering organizations, the Department will also be given the opportunity to reduce underlying crimes associated with money laundering operations, thereby continuing to provide a safe and secure environment for the residents of the County.

FISCAL IMPACT/FINANCING

This will be the fourth year of funding for this program. The \$791,340 in funding will be used for Salaries and Employee Benefits (\$778,700) and Services and Supplies (\$12,640). The Department will provide a required 25 percent in-kind match for Salaries and Employee Benefits.

This funding has been included in the Department's Fiscal Year 2013-14 Detective Services Budget Unit.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Alliance is the result of a Settlement Agreement reached between the Arizona Attorney General's Office and Western Union Financial Services, Incorporated. It is governed by an Executive Board consisting of the Arizona Attorney General, the California Attorney General, the New Mexico Attorney General, the Texas Attorney General, the Director of the Arizona Department of Public Safety, the Superintendent of the Arizona Department of Financial Institutions, and the

The Honorable Board of Supervisors

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Chief of the Police Department of Phoenix, Arizona, for a total of seven voting members. The Department received its first funding from the Alliance in 2011 in the amount of \$718,376. A second grant for a two-year period was received in 2012 in the amount of \$1,582,700. This Amended Grant Agreement will extend the second grant term for an additional year from July 1, 2014, through June 30, 2015, and provide additional funding of \$791,340. With this funding, the Department expects to enhance its investigations and prosecutions of money laundering and underlying crimes from which illegal proceeds flow.

This Board letter has been reviewed by County Counsel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This grant funding will have a positive impact on current services as it provides the Department's Narcotics Bureau the fiscal ability to continue funding a team of investigators to aggressively target money laundering to deter drug cartels from using California as their money laundering superhighway.

CONCLUSION

Upon Board approval, please return two copies of the adopted Board letter to the Department's Grants Unit.

Sincerely,

A handwritten signature in blue ink, appearing to read "Leroy D. Baca".

LEROY D. BACA

Sheriff

LDB:JAT:jat

Enclosures

**SOUTHWEST BORDER ANTI-MONEY LAUNDERING
ALLIANCE
AMENDED GRANT AGREEMENT**

ALLIANCE Grant Number **2012-0006**

Pursuant to the Supplemental Application submitted by the LOS ANGELES COUNTY SHERIFF'S DEPARTMENT ("GRANTEE"), the Center for State Enforcement of Antitrust and Consumer Protection Laws, Inc., a Wisconsin nonprofit corporation (the "State Center"), acting for the SOUTHWEST BORDER ANTI-MONEY LAUNDERING ALLIANCE ("ALLIANCE") hereby amends the Grant Agreement ("Agreement") between the Parties last signed on August 8, 2012. All terms and conditions of the Agreement are incorporated by reference in this "Amended Agreement", and remain the same except for the amendments to Addendum B, Budget, attached hereto as "Amended Addendum B, Los Angeles County Sheriff's Department AML Task Force, Extension of Grant Agreement" and the grant termination date, which is hereby extended until June 30, 2015. The effective date of this Amended Agreement is the date last signed by a required signatory hereto, _____, 2013.

IN WITNESS WHEREOF, the parties have made and executed this Amended Agreement the day and year first above written.

FOR GRANTEE:

Authorized Signature: _____

Date: _____

Note: If applicable, the Agreement must be approved by the appropriate county supervisory board or municipal council and appropriate local counsel (i.e. county or city attorney). Furthermore, if applicable, resolutions and meeting minutes must be forwarded to the Alliance with the signed Agreement.

Approved As To Form:

John F. Krattli

County Counsel

By: 
Senior Deputy County Counsel

Statutory or other legal authority to enter into Agreement:

Appropriate state statute, ordinance, or charter reference:

FOR STATE CENTER:

Authorized Signature: _____

Date: _____

FOR ALLIANCE:

Authorized Signature: _____

Date: _____

AMENDED

**ADDENDUM B
LOS ANGELES COUNTY SHERIFF'S DEPARTMENT AML TASK FORCE
EXTENSION OF GRANT AGREEMENT**

BUDGET

Personnel (Incl. ERE)	Initial	Extension	New Total
5 FTEs	\$ 1,196,400	\$ 643,100	\$ 1,839,500
Overtime (Incl. ERE)	361,300	135,600	496,900
Consultant/Contractual Services	-0-	-0-	-0-
Travel			
In-State	-0-	-0-	-0-
Out-of-State	25,000	12,640	37,640
Other Operating Expenses	-0-	-0-	-0-
Equipment	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total	\$ 1,582,700	\$ 791,340	\$ 2,374,040

Los Angeles County Chief Executive Office
Grant Management Statement for Grants Exceeding \$100,000

Department: LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

Grant Project Title and Description: Anti-Money Laundering Task Force (AMLTF)

The grant provides funding for the AMLTF team to investigate and prosecute domestic and international money laundering and the underlying crimes from which illegal proceeds flow.

Funding Agency: Southwest Border
Anti-Money Laundering Alliance
(Alliance)

Program (Fed. Grant # /State Bill or Code #)
Amended Grant Agreement Number 2012-0006

Grant Acceptance Deadline
November 15, 2013

Total Amount of Grant Funding: \$791,340

County Match: 25% of AMLTF team salary and employee benefits

Grant Period: 12 months

Begin Date: July 1, 2014

End Date: June 30, 2015

Number of Personnel Hired Under This Grant: 0

Full Time: 0

Part Time: 0

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant-funded program? Yes X No

Will all personnel hired for this program be placed on temporary ("N") items? Yes X No

Is the County obligated to continue this program after the grant expires? Yes No X

If the County is not obligated to continue this program after the grant expires, the Department will:

a). Absorb the program cost without reducing other services Yes No X

b). Identify other revenue sources Yes No X

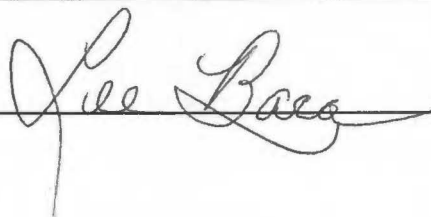
(Describe) _____

c). Eliminate or reduce, as appropriate, positions/program costs funded by the grant. Yes X No

Impact of additional personnel on existing space: No impact

Other requirements not mentioned above: None

Department Head Signature



Date

10/23/13